

MOTION BY SUPERVISOR GLORIA MOLINA

September 21, 2010

On September 15, 2010, California Attorney General Jerry Brown filed a civil lawsuit against eight Bell City Council members and city officials, accusing them of fraud, waste of public funds, breach of their fiduciary duties, and violations of the public trust. According to the complaint, Bell officials knowingly, intentionally, and for the purpose of private gain abused their positions of power and made contractual misrepresentations to the public. Specifically, the Attorney General’s civil lawsuit claims that Bell cut services to residents while simultaneously orchestrating unconscionable pay increases for themselves. It has also come to light recently that in addition to illegally levied employee pension taxes, the City of Bell has also levied illegal sewer and business taxes that bring the total amount of funds illegally collected by Bell to \$5.6 million.

This kind of blatant, pervasive, and unchecked corruption is made worse by the fact that Attorney General Brown’s claims are made against a majority of the current sitting members of the Bell City Council who have yet to resign their positions. In fact, the Bell City Council continues to meet regularly—often in closed session. They still exercise direct authority over the very city affairs they have shown themselves to be unable to govern ethically, fairly, or competently—potentially further committing the city to future liability and other contractual obligations.

MOTION

Ridley-Thomas \_\_\_\_\_

Yaroslavsky \_\_\_\_\_

Knabe \_\_\_\_\_

Antonovich \_\_\_\_\_

Molina \_\_\_\_\_

I, THEREFORE, MOVE THAT the Los Angeles County Board of Supervisors send a five-signature letter to Attorney General Brown urging him to use every legal measure at his disposal—including filing a temporary restraining order or writs of mandate or prohibition—to immediately prevent any potential for continuing harm to the residents of Bell. Immediate actions should include:

- Prohibiting the current members of the City Council from appropriating any funds or entering into any contracts on behalf of the City of Bell; and
- Appointing an independent receiver to facilitate the operation of the City of Bell and to prepare a complete audit and accounting of all existing contracts, fund accounts, debts and receivables in Bell, and to make this information transparent to the public; and
- Authorizing the independent receiver to enter into services and employment contracts on behalf of the City of Bell as necessary, until the lawsuit is resolved or Bell residents are provided a meaningful opportunity to select the representatives of their choice; and requiring that all contracts be independently analyzed, posted, and reported to the public at least two weeks prior to approval; and
- Designating the County's Registrar-Recorder as the entity responsible for verifying signatures, conducting elections, and certifying the outcome of those elections in the City of Bell.
- Directing the City of Bell to pay Los Angeles County \$2.9 million to allow the County to provide tax refunds to City residents who were wrongfully taxed.

MIJ/VS/RC/RM/ld